Introduced by Senator Denham

(Coauthors: Senators Battin and Wyland)

(Coauthors: Assembly Members Gaines, Garrick, Huff, and Spitzer)

January 9, 2008

Senate Constitutional Amendment No. 14—A resolution to propose to the people of the State of California an amendment to the Constitution of the State, by amending Section 12 of Article IV thereof, relating to the state budget.

LEGISLATIVE COUNSEL'S DIGEST

SCA 14, as amended, Denham. Governor: state budget.

Existing provisions of the California Constitution require the Governor to submit a budget to the Legislature by January 10 of each year.

This measure would require the budget submitted by the Governor to be a balanced budget, as defined, pursuant to a determination to be made by the Legislative Analyst. The measure would provide that if, by January 10, the Governor fails to submit a balanced budget, as determined by the Legislative Analyst, the Governor shall forfeit any salary from January 11 until the date a balanced budget is submitted.

Vote: $\frac{2}{3}$. Appropriation: no. Fiscal committee: yes. State-mandated local program: no.

- 1 Resolved by the Senate, the Assembly concurring, That the
- 2 Legislature of the State of California at its 2007–08 Regular
- 3 Session commencing on the fourth day of December 2006,
- 4 two-thirds of the membership of each house concurring, hereby

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proposes to the people of the State of California that the Constitution of the State be amended as follows:

That Section 12 of Article IV thereof is amended to read:

- SEC. 12. (a) (1) Within the first 10 days of each calendar year, the Governor shall submit to the Legislature, with an explanatory message, a balanced budget for the ensuing fiscal year containing itemized statements for recommended state expenditures and estimated state revenues. Notwithstanding
- (2) Notwithstanding Sections 4 and 8 of Article III, if by January 10 the Governor has not submitted to the Legislature a balanced budget, as determined by the Legislative Analyst pursuant to paragraph—(2) (3), the Governor shall forfeit his or her salary for the period from January 11 until the date he or she submits a balanced budget to the Legislature. This forfeited salary shall not be paid retroactively. This paragraph shall apply to any Governor elected on or after the effective date of this paragraph.

(2)

- (3) As used in this section, "balanced budget" means a budget in which recommended expenditures from the General Fund for that fiscal year, when combined with all appropriations from the General Fund for that fiscal year made as of that date, and the amount of any General Fund moneys that have been transferred or are anticipated to be transferred to the Budget Stabilization Account for that fiscal year pursuant to Section 20 of Article XVI, do not exceed General Fund revenues for that fiscal year estimated as of January 1.
- (b) The Governor and the Governor-elect may require a state agency, officer, or employee to furnish whatever information is deemed necessary to prepare the budget.
- (c) (1) The budget shall be accompanied by a budget bill itemizing recommended expenditures.
- (2) The budget bill shall be introduced immediately in each house by the persons chairing the committees that consider the budget.
- (3) The Legislature shall pass the budget bill by midnight on June 15 of each year.
- (4) Until the budget bill has been enacted, the Legislature shall not send to the Governor for consideration any bill appropriating funds for expenditure during the fiscal year for which the budget bill is to be enacted, except emergency bills recommended by the

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Governor or appropriations for the salaries and expenses of the Legislature.

- (d) No bill except the budget bill may contain more than one item of appropriation, and that for one certain, expressed purpose. Appropriations from the General Fund of the State, except appropriations for the public schools, are void unless passed in each house by rollcall vote entered in the journal, two-thirds of the membership concurring.
- (e) The Legislature may control the submission, approval, and enforcement of budgets and the filing of claims for all state agencies.
- (f) For the 2004–05 fiscal year, or any subsequent fiscal year, the Legislature may not send to the Governor for consideration, nor may the Governor sign into law, a budget bill that would appropriate from the General Fund, for that fiscal year, a total amount that, when combined with all appropriations from the General Fund for that fiscal year made as of the date of the budget bill's passage, and the amount of any General Fund moneys transferred to the Budget Stabilization Account for that fiscal year pursuant to Section 20 of Article XVI, exceeds General Fund revenues for that fiscal year estimated as of the date of the budget bill's passage. That estimate of General Fund revenues shall be set forth in the budget bill passed by the Legislature.